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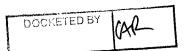
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BEFORE THE ARIZONA POWER PLANT AND TRANSMISSION LINE SITING COMMITTEE

IN THE MATTER OF THE APPLICATION OF GILA BEND POWER PARTNERS, L.L.C.AND ITS ASSIGNEES IN CONFORMANCE WITH THE CASE #119 DOCKET #L-00000V-02-119 REQUIREMENTS OF ARIZONA REVISED STATUTES SECTIONS 40-360.03 AND 40-360.06 FOR A CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY **AUTHORIZING CONSTRUCTION OF ONE** APPLICANT AND 500KV TRANSMISSION LINE AND ASSOCIATED **INTERVENORS'** PROPOSED CEC SWITCHYTARD COMPONENTS IN MARICOPA COUNTY, ARIZONA ORIGINATING AT THE CONDITIONS HASSAYAMPA SWITCHYARD NEAR THE PALO VERDE NUCLEAR GENERATING STATION WEST OF PHOENIX, ARIZONA (SECTION 15, TOWNSHIP 1 SOUTH, RANGE 6 WEST, G&SRB&M) AND TERMINATING AT THE JOJOBA SWITCHYARD, SECTION 25, TOWNSHIP 2 SOUTH, RANGE 4 WEST, A DISTANCE OF APPROXIMATELY 20 MILES.

Gila Bend Power Partners, L.L.C. ("Applicant"), the Arizona Corporation

Commission Staff ("Staff") and SRP have discussed the three CEC conditions proposed by

Staff and the one condition proposed by SRP. The parties have reached agreement on

condition No. 7. Staff and Applicant have reached an agreement on conditions Nos. 6 and

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28. SRP takes no position on these two conditions.¹ All references are to Applicant's proposed CEC located at Tab 4 of Applicant's Exhibit Book distributed to the Siting Committee prior to the October 1, 2002 hearing. For the Siting Committee's convenience, a revised CEC with the stipulated language is attached.

Condition No. 6.

The Staff and Applicant have agreed to the following language to be inserted on page 4 at line 21 in place of Applicant's proposed Condition No. 6. SRP takes no position on this Condition.

Applicant and its assigns shall participate in good faith in state and regional transmission study forums and shall make every reasonable effort to ensure that such transmission line will be timely constructed in accordance with the needs of the integrated transmission grid.

Condition No. 7.

The parties have agreed to the following language:

Insert on Page 3 at line 3 of Applicant's Proposed CEC.

Testimony was presented on the conclusion reached in the Central Arizona Transmission Study that over the foreseeable future three transmission lines will be necessary in the Palo Verde to Kyrene Corridor ("Corridor"). Additional testimony was presented establishing that the construction of transmission lines in the Corridor is complicated by geographical features near Gillespie Dam and its proximity to the Sonoran Desert National Monument necessitating the

¹ As to condition No. 1, Staff proposes to reduce the term of the CEC to approximately three years (until April 12, 2006) to be co-terminous with the terms of the two other CEC's granted to this Applicant. SRP supports the Staff's position. Applicant proposes that the term of the CEC be five years. The parties respectfully request that the Siting Committee should select between the two alternatives

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proper sequencing and spacing of transmission lines within the Corridor.

Insert on page 4 at line 23, in place of Applicant's proposed Condition No. 7.

To address concerns raised in testimony about the sequencing and spacing of lines within the Corridor, the Applicant shall locate the Gila Bend Power Partners Transmission Line in accordance with the attached legal description (the "Alignment"). If, when the Applicant begins construction, another line is constructed or is under construction in the Alignment, then the Applicant shall locate the Gila Bend Power Partners Transmission Line 130 feet west and south of the transmission line in the Alignment.

Condition No. 28.

Applicant has no objection to the Staff's proposed new Condition No. 28 in light of the Staff's explanation at the hearing that such condition will be evaluated on a case by case basis and that the Alignment proposed by Applicant is consistent with this condition. SRP takes no position on this condition.

The Applicant respectfully requests the Siting Committee grant a proposed Certificate of Environmental Compatibility in the form proposed by the Applicant as amended above.

RESPECTFULLY SUBMITTED this 26th day of November, 2002.

LEWIS AND ROCA

Thomas H. Campbell 40 N. Central Avenue Phoenix, Arizona 85004

Attorneys for Gila Bend Power Partners, L.L.C.

ARIZONA CORPORATION COMMISSION

David Ronald

Ronald, Esq. David 1200 West Washington Phoenix, AZ 85007-2997

Attorneys for the Arizona Corporation Commission, Utilities Division Staff

JENNINGS STROUSS & SALMON PLC

Kenneth Sundlof

Robert Taylor

The Collier Center, 11th Floor 201 East Washington Street Phoenix, Arizona 85004-2385

Attorneys for Salt River Project

Pursuant to R14-3-204 the ORIGINAL and twenty-five copies were filed this day of November, 2002, with:

Arizona Corporation Commission Utilities Division - Docket Control 1200 West Washington Street Phoenix, Arizona 85007

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COPY of the foregoing mailed/hand-delivered this <u>Joth</u> day of November, 2002, to:

Laurie Woodall
Office of the Attorney General
1275 West Washington Street
Phoenix, Arizona 85007

Letty J. Triffin

BEFORE THE ARIZON POWER PLANT AND TRANSMISSION LINE SITING COMMITTEE

In the matter of the Application of Gila Bend Power Partners, L.L.C. and its assignees in conformance with the requirements of Arizona Revised Statutes Sections 40-360.03 and 40-360.06 for a certificate of environmental compatibility authorizing construction of one 500 kV transmission line and associated switchyard components in Maricopa County, Arizona originating at the Hassayampa Switchyard near the Palo Verde Nuclear Generating Station west of Phoenix, Arizona (Section 15, Township 1 south, Range 6 West) and terminating at the Jojoba Switchyard, (Section 25, Township 2 South, Range 4 West), a distance of approximately 20 miles.

Case No:	
Decision No:	

DECISION OF THE ARIZONA POWER PLANT AND TRANSMISSION LINE SITING COMMITTEE AND CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY

Pursuant to the notice given as provided by law, the Arizona Power Plant and Transmission Line Siting Committee ("Committee") held a public hearing at the Gila Bend Town Hall, 644 West Pima Street, Gila Bend, Arizona on October 1, 2002 in conformance with the requirements of Arizona Revised Statutes §40-360 et seq., for the purpose of receiving evidence and deliberating upon the Application of Gila Bend Power Partners, L.L.C. and its assigns ("Applicant") for a Certificate of Environmental Compatibility in the above-captioned case.

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The following members and designees of members of the Committee were present for the evidentiary presentation during the October 1, 2002 hearing and deliberations and voted on the Application:

General, Janet Napolitano

Ray Williamson Arizona Corporation Commission

Richard Tobin Arizona Department of Environmental Quality

Mark McWhirter Department of Commerce

Pat Schiffer Arizona Department of Water Resources

Gregg A. Houtz Arizona Department of Water Resources

Jeff McGuire Appointed Member

Mike Palmer Appointed Member

Margaret Trujillo Appointed Member

A. Wayne Smith Appointed Member

Sandie Smith Appointed Member

Mike Whalen Appointed Member

The Applicant was represented by Thomas H. Campbell of Lewis and Roca LLP. Staff of the Arizona Corporation Commission ("Commission") was represented by its counsel, David Ronald. SRP intervened on behalf of the participants in the Southeast Valley project and as operating agent for Palo Verde Transmission System and was

represented by Robert Taylor of Jennings, Strouss & Salmon PLC. There were no other intervenors.

Testimony was presented on the conclusion reached in the Central Arizona

Transmission Study that over the foreseeable future three transmission lines will be
necessary in the Palo Verde to Kyrene Corridor ("Corridor"). Additional testimony was
presented establishing that the construction of transmission lines in the Corridor is
complicated by geographical features near Gillespie Dam and its proximity to the Sonoran

Desert National Monument necessitating the proper sequencing and spacing of
transmission lines within the Corridor.

At the conclusion of the public hearings, after consideration of (i) the Application and the evidence presented during the public hearings, and (ii) the legal requirements of Arizona Revised Statutes §§40-360 and 40-360.13 and A.A. C. R14-3-213, upon motion duly made and seconded, the Committee voted to grant Applicant the following Certificate of Environmental Compatibility.

Applicant is hereby granted a Certificate of Environmental Compatibility for authority to construct the following facilities, as requested in the Application: a 500kV transmission line and associated switchyard components (the "Project").

Applicant's 500kV transmission line will originate at the Hassayampa Switchyard near the Palo Verde Nuclear Generating Station west of Phoenix, Arizona, (Section 15, Township 1 South, Range 6 West) and terminate at the Jojoba Switchyard in Section 25, Township 2 South, Range 4 West. The 500kV transmission line alignment will parallel

and be adjacent to the existing Palo Verde-Kyrene 500kV transmission line. (See Exhibit A) The transmission line will consist of steel lattice structures designed and constructed to accommodate a 500kV circuit. The routing, design, height and material composition of the 500kV transmission line facilities were testified to by Applicant's witness Robert Walther at the October 1, 2002 hearing.

The 500kV line will complete the interconnection of Applicant's Gila Bend power plant with the Hassayampa Switchyard. The complete interconnection will include the two 500kV transmission lines certificated by the Committee in Case No. 102, the 500kV transmission line and Watermelon switchyard certificated in Case No. 109 and the line proposed in this Application. The details of these interconnections will be the subject of contractual arrangements to be entered into between Applicant and transmission providers.

This Certificate of Environmental Compatibility is granted upon the following conditions:

- 1. This authorization to construct the aforementioned facilities shall expire [five (5) years from the date this Certificate of Environmental Compatibility is approved by the Commission] or [on April 12, 2006], unless construction is completed to the point that the 500kV transmission line is capable of operating by that time; provided, however, that prior to such expiration Applicant may request that the Commission extend this time limitation.
- 2. Applicant shall provide the Commission with copies of any transmission agreements it ultimately enters into with transmission providers within 30 days of execution of those agreements.
- 3. The Applicant shall match structure spans with the existing Palo Verde-Kyrene line for the proposed Project unless site-specific conditions require a structure to be moved.

- 4. The Applicant shall use dulled steel structures and non-specular and dulled conductors to reduce the contrast and visibility of the proposed Project.
- 5. The Applicant shall match existing structure type to reduce overall Project contrast.
- 6. Applicant and its assigns shall participate in good faith in state and regional transmission study forums and shall make every reasonable effort to ensure that such transmission line will be timely constructed in accordance with the needs of the integrated transmission grid.
- 7. To address concerns raised in testimony about the sequencing and spacing of lines within the Corridor, the Applicant shall locate the Gila Bend Power Partners Transmission Line in accordance with the attached legal description (the "Alignment"). If, when the Applicant begins construction, another line is constructed or is under construction in the Alignment, then the Applicant shall locate the Gila Bend Power Partners Transmission Line 130 feet west and south of the transmission line in the Alignment.
- 8. Applicant shall comply with all existing applicable air and water pollution control standards and regulations, and with all existing applicable ordinances, master plans and regulations of the State of Arizona, the County of Maricopa, the United States and any other governmental entities having jurisdiction.
- 9. Before construction of this Project may commence, the Applicant shall file a construction mitigation revegetation and restoration plan with the Commission Docket Control. Applicant shall, within one year of completion of the Project, rehabilitate to its original state any area disturbed by construction of the Project, except for any road that may be necessary to access the transmission lines for maintenance and repair.
- 10. Survey for southwestern willow flycatchers should be conducted prior to construction, and mitigation measures should be implemented according to state and federal guidelines to minimize potential disturbances to special status species and habitat. If necessary, additional cactus ferruginous pygmy-owl surveys should be conducted in the appropriate season prior to construction.
- 11. The Applicant shall conduct all construction and maintenance activities in a manner that would minimize disturbance to vegetation, drainage channels, and intermittent and perennial streambanks. For example, the Applicant shall remove only the minimum amount of vegetation necessary for the construction of structures and facilities. In construction areas where recontouring is not required, vegetation shall

- be left in place to avoid excessive root damage and allow for resprouting. In addition, all existing roads shall be left in a condition equal to or better than their condition prior to the construction of the transmission line.
- 12. The Applicant shall construct structures to conform to "Suggested Practices for Raptor Protection on Power Lines" (Raptor Research Foundation, Inc. 1981).
- 13. The Applicant shall retain a qualified biologist, as needed, to monitor ground clearing/disturbing construction activities in areas where sensitive species occur. The biological monitor will be responsible for ensuring proper actions are taken if a special status species is encountered.
- 14. The Applicant shall comply with Arizona's Native Plant Law and notify the Arizona Department of Agriculture no later than 60 days prior to the start of construction.
- 15. The Applicant shall continue to consult with the State Historic Preservation Office (SHPO) to reach a determination of any cultural resource impacts. The Applicant shall implement any impact avoidance and mitigation measures (e.g., monitoring during construction) for cultural resources developed in consultation with the BLM and the SHPO on land under BLM's jurisdiction and with ASLD on land under ASLD's jurisdiction.
- 16. The Applicant shall avoid or minimize impacts to properties considered eligible for inclusion in the State and National Register of Historic Places to the extent practicable. If human remains and /or funerary objects are encountered during the course of any ground disturbing activities relating to the development of the subject property, the Applicant shall cease work on the affected area of the Project and notify the Director of the Arizona State Museum in accordance with A.R.S. Section 47-1685 or the BLM in accordance with the Native American Graves and Protection and Repatriation Act, depending on land ownership.
- 17. In consultation with SHPO and any applicable land-managing agency, the Applicant shall consider and assess potential direct and indirect impacts to eligible properties related to new access roads or any existing access roads that require blading. An example of an indirect impact would be a road that leads directly to an archaeological site that in effect invites intentional or unintentional vandalism, such as looting or off-road vehicle use, in such case, adding a locked gate or otherwise blocking the road would be an appropriate treatment.

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- 18. The Applicant shall use existing access roads along the Palo Verde-Kyrene line for construction and maintenance access and only build spur roads for access to new structures.
- 19. The Applicant shall restrict all construction vehicle movement outside of the right-of-way to predesignated access, contractor acquired access or public roads.
- 20. The Applicant shall restore the ground surface in construction areas (e.g., marshalling yards, structure sites) where ground disturbance is significant or where recontouring is required. The method of restoration may include returning disturbed areas to their natural contour (to the extent practical), reseeding with native plants, installing cross drains for erosion control, placing water bars in the road, and filling ditches. Seed must be tested and certified to contain no noxious weeds in the mix. Seed viability must also be tested at a certified laboratory approved by the authorized officer.
- 21. The Applicant shall make every reasonable effort to identify and correct, on a case-specific basis, all complaints of interference with radio or television signals from operation of the line and related facilities, in addition to any transmission repairs, the relevant corrective actions may include adjusting or modifying receivers; adjusting, repairing, replacing or adding antennas, antenna signal amplifiers, filters, or lead-in cables; or other corrective actions.
- 22. The Applicant shall maintain written records for a period of five (5) years of all complaints of radio or television interference attributable to operation of the Project, together with the corrective action taken in response to each complaint. Complaints not leading to a specific action or for which there was no resolution shall be noted and explained. The record shall be signed by the Project owner and also the complainant, if possible, to indicate concurrence with the corrective action or agreement with the justification for a lack of action.
- 23. The Applicant shall advise interested parties how they may express concerns or submit complaints to the owner-operator of the Project when they believe the transmission line or switchyard facilities herein authorized are creating noise in excess of applicable Housing and Urban Development standards or causing interference with communications signals in excess of applicable Federal Communication Commission standards. Such complaints may, at the election of the complainant, be processed by owner-operator of the Project.
- 24. Prior to construction, the contractor shall be instructed on the protection of cultural and ecological resources. To assist in this effort, the construction contract shall

address federal and state laws regarding antiquities and plants and wildlife including collection and removal.

- 25. The Applicant shall cover construction holes left open at night. The covers shall be secured in place and shall be strong enough to prevent livestock or wildlife from falling through and into any hole.
- 26. The Applicant shall survey any areas not previously surveyed (e.g., new spur roads) prior to construction.
- 27. Within 45 days of securing easement of right-of-way for the Project, the Applicant shall erect and maintain signs providing public notice that the property is the site of a future transmission line. Such signage shall be no smaller than a normal roadway sign. The Applicant shall place signs in prominent locations at reasonable intervals such that the public is notified along the full length of the transmission line. Copies of the Certificate shall be provided by the Applicant to city and county planning agencies. The signs shall advise:
 - a) That the site has been approved for the construction of a 500kV transmission line;
 - b) The expected date of completion of the Project facilities; and
 - c) A phone number for public information regarding the Project.
- 28. In order to ensure transmission system safety and reliability, all transmission structures shall be placed a minimum of 100 feet from the edge of existing natural gas pipelines rights-of-way.

GRANTED this ____ day of December, 2002.

Arizona Power Plant and Transm	nission
Line Siting Committee	

By:		
•	Louria A Woodall Chair	

ORDER OF ARIZONA CORPORATION COMMISSION AFFIRMING AND APPROVING CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY

Having considered the foregoing decision of the Arizona Power Plant and Transmission Line Siting Committee ("Committee") in light of the decision-making factors specified in Arizona Revised Statutes §40-360.06, and, pursuant to Arizona Revised Statutes §40-360.07(c), having balanced in the broad public interest the need for an adequate, economical and reliable supply of electric power with the desire to minimize the effect thereof on the environment and ecology of Arizona, it is the decision of this Commission that the Certificate of Environmental Compatibility granted by the Committee on ______, 2002 in Case No. _____ should be, and hereby is, affirmed and approved.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION

Chairman	Commissioner	Commissioner		
	Executive Secre Commission, ha the official seal	IN WITNESS WHEREOF, I, BRIAN C. MCNEIL Executive Secretary of the Arizona Corporation Commission, have hereunto, wet my hand and caused the official seal of this Commission to be affixed at the Capitol, in the City of Phoenix, this day of, 2002.		
	Brian C. McNe Executive Secre			
Dissent:	· · · · · · · · · · · · · · · · · · ·			